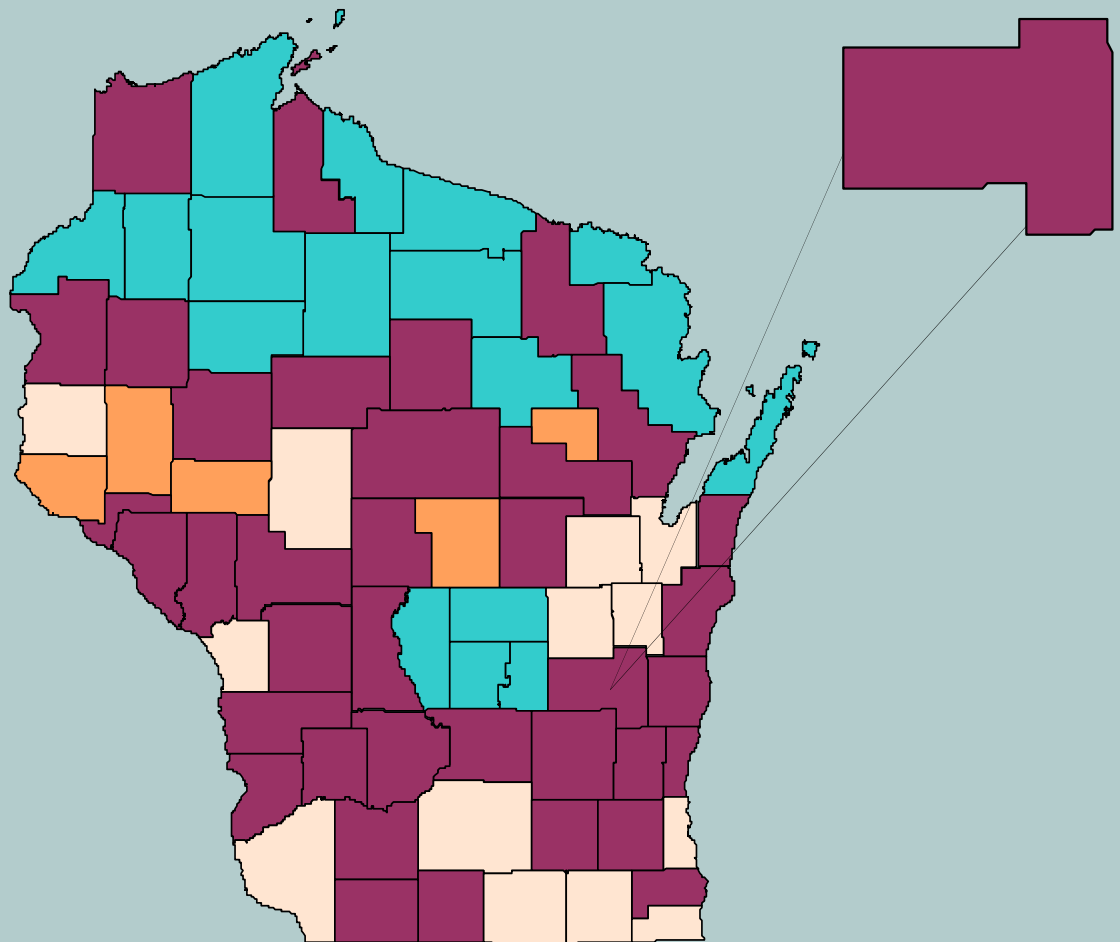


Fond du Lac County Workforce Profile

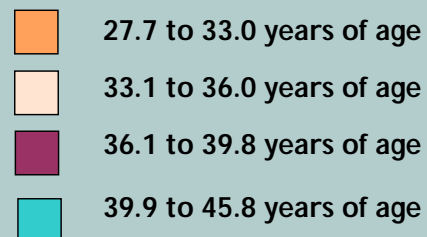
Median Age by County, 2000



Your complete
guide to the
state of the
labor force of
today and a
glimpse into
the economy of
tomorrow.



State of Wisconsin
Department of Workforce Development
October 2002



Source: Census 2000 of the United States



County Population

The population of Fond du Lac County edged up 0.6% in 2000, adding slightly more than 600 residents for an estimated 2001 population of 97,927. In comparison, both the state of Wisconsin and United States grew at a 0.7% rate in 2000. The modest growth in the Fond du Lac County population continued the trend of growth experienced in the county over the course of the past decade.

Between 1990 and 2000, Fond du Lac County's population increased by approximately 7,200 residents, or 8.0%. This rate of growth was less than either the state or national growth rates of 8.5% and 8.7%, respectively. While this growth rate may seem sluggish, particularly when taken in comparison with the phenomenal growth of the counties in the Appleton-Oshkosh-Neenah metropolitan area that lies directly north of Fond du Lac, the county remains a destination for workers taking advantage of employment opportunities throughout the Fox Cities region, as well as in the Milwaukee-Waukesha metropolitan area, to a lesser degree.

Focusing on municipal population changes, a similar pattern of modest growth can be seen. Among the ten largest municipalities in the county, the Town of

Fond du Lac grew at the fastest rate, increasing its population by 2.0% over the course of 2000. However, the City of Fond du Lac, the largest municipality in the county added the most residents, growing by slightly more than 200 residents in 2000. Over the past decade, municipal growth was paced by the Town of Auburn, which experienced a 26.2% growth rate in 1990's. Similarly, the City of Fond du Lac grew by 10.2%, and the City of Waupun grew by 16.2%.

When examining the growing role of Fond du Lac County as an access point for the growing regional economy of the Fox River Valley, the degree of migration into the county becomes increasingly more important. In 2001, residential migration accounted for 449 of the 631 new residents in the county, with the remaining 182 coming from a natural increase where the amount of births outnumbered the number of deaths in the county during the year. Also, when looking at data from the 2000 census, the number of residents in the county which had reported living in a different residence in 1995 is significant. In 2000, 39.3% of the county's residents reported living elsewhere in 1995, with 10.7% living

(Continued on page 2)

Total Population

	2000 Census	January 1, 2001 Estimate	Percent change
United States	281,421,906	283,474,000	0.7%
Wisconsin	5,363,675	5,400,449	0.7%
Fond du Lac County	97,296	97,927	0.6%

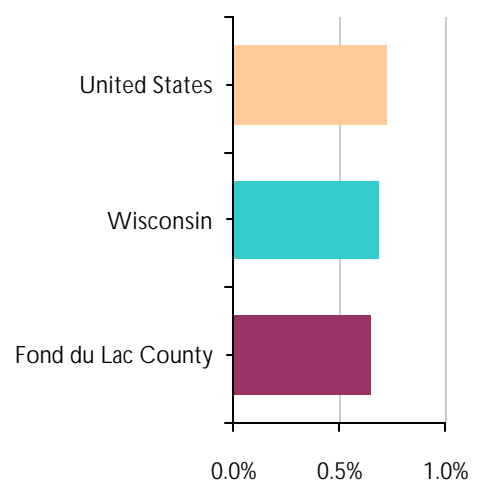
Ten Largest Municipalities

Fond Du Lac, City	42,203	42,411	0.5%
Ripon, City	7,450	7,542	1.2%
North Fond Du Lac, Village	4,557	4,575	0.4%
Taycheedah, Town	3,666	3,703	1.0%
Waupun, City *	3,282	3,303	0.6%
Empire, Town	2,620	2,635	0.6%
Friendship, Town	2,406	2,406	0.0%
Auburn, Town	2,075	2,089	0.7%
Fond Du Lac, Town	2,027	2,067	2.0%
Campbellsport, Village	1,913	1,925	0.6%

* Fond du Lac portion only

Source: Wisconsin Department of Administration, Demographic Services, 2002

Population Growth 2000-2001



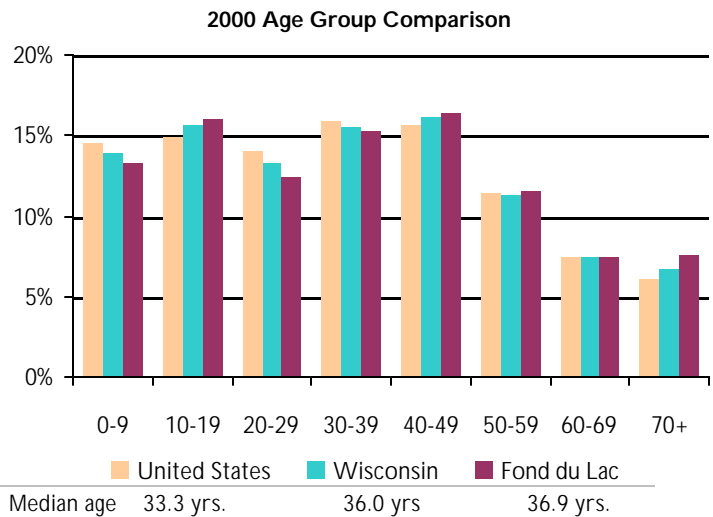


in another county in the state, and 4.6% living in a different state. The remainder changed residences within Fond du Lac County. This suggests that the county is a strong draw for migration into the area.

Another factor to consider when analyzing the county's population growth is the change in the county's housing stock. Between 1990 and 2000, 6,385 new units, or 16.2% of the existing housing units were constructed. When comparing the total number of units in 2000 with the total in 1990, a total of 4,723 units were built that did not replace existing units in 1990, amounting to a 13.7% growth rate in the county's housing stock.

Another interesting facet of the county's population, as illustrated in Census 2000 is the distribution of the county's population among various age cohorts. This is illustrated in the distribution to the left.

In 2000, the median age of the population of Fond du Lac County was 36.9 years, which is slightly older than the state median of 36.0 years, and older than the national median of 33.3 years. The reason

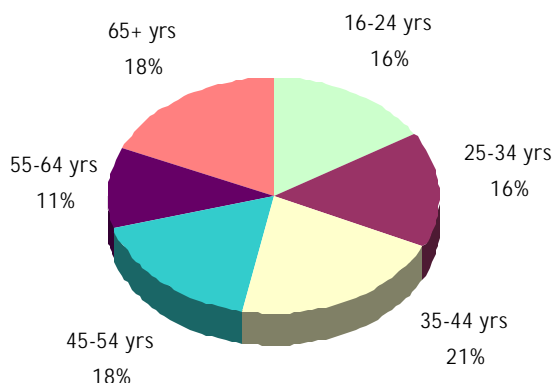


Source: US Department of Commerce, Census Bureau, *Census 2000*

for this disparity is seen in the slightly higher distribution of the population aged sixty and older and a slightly lesser percentage of the population aged 20 to 29. It is interesting to note that the county's aggregate population distribution closely mirrors that of the state. This stands in contrast with the distributions of the counties of the Appleton-Oshkosh-Neenah metropolitan area, whose populations are more heavily weighted towards the younger cohorts.

County Civilian Labor Force

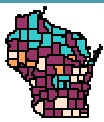
Fond du Lac County Labor Force Age Groups



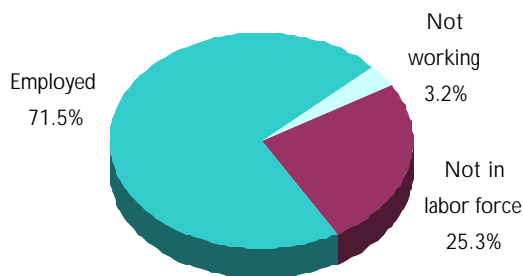
Source: US Dept. of Commerce, Census Bureau, *Census 2000*

The discussion of the age distribution of the Fond du Lac County provides a natural transition between a discussion of the broad population to that of the labor force. The pie chart to the left shows the distribution of the labor force eligible population in the county in 2000. The first, and most obvious conclusion that can be drawn from this distribution is that a slight majority of the labor force eligible population (53%) is under the age of 45. This bears note as the implication this majority has on the future stability of the county's labor force is significant as this cohort will be moving through the mature years of their working lives over the next twenty years. This guarantees the presence of a relatively stable labor force for the foreseeable future. However, the labor force of 2020 and beyond

(Continued on page 3)

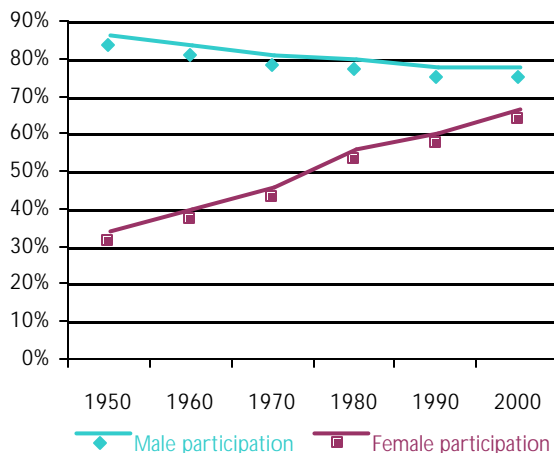


2001 Labor Force Participation



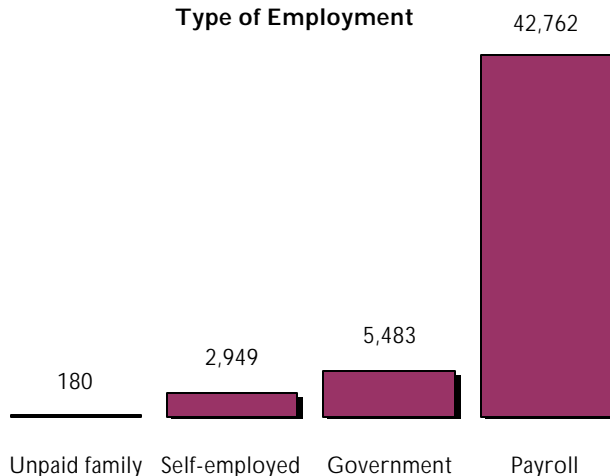
Source: Estimated from WI Dept. of Administration population estimates, Jan. 2001, US Census Bureau, and WI Local Area Unemployment Statistics.

Labor Force Participation of Male and Female Residents



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

Type of Employment



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

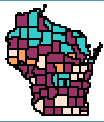
may take on a distinctly different character as, due to lower future birth rates, the number of workers entering the labor market may not be sufficient to replace the wave of retiring members of the "Baby Boomer" generation.

The labor force is the sum of those employed and unemployed *that have actively sought work in the last month*. **Labor Force eligible must be 16 years or older and not a member of an institutional population** such as a prison or an armed forces member living on a military base. The term "unemployed" does not necessarily include all people who are not working. For example, those who are retired or choose not to work are not considered unemployed. The phrase "Not Working" in the graph below assumes unemployed for the purposes of this profile.

In 2001, the labor force participation rate of Fond du Lac County was 74.7%. This represents an increase of 1.4% over 2000's rate of 73.3%. In comparison, the state labor force participation rate for 2001 was 73.5%, or a 0.7% increase from 2000. The nation reported a significantly lower participation rate of 66.9%, or 0.3% lower than a year earlier. The relatively strong rate of participation in the labor force in the county can be attributed to a number of factors, including a strong availability of employment opportunities in the county, a relatively low unemployment rate, and a relatively low percentage of the labor force not engaged in the workforce. This small percentage includes a smaller share of retired workers and discouraged job-seekers.

Another interesting trend in the county's labor force that can be analyzed through an examination of the labor force participation rate is the disparate role of men and women in the workforce. Using data collected from the past five decennial censuses, the trend analysis to the left clearly suggests a dramatic closing of the gap between men and women in the workforce. Between 1950 and 2000, the male labor force participation rate remained relatively stable, dropping from just above 80 percent to the upper 70 percent level. Conversely, female participation in the labor force has increased significantly over the last half of the twentieth century,

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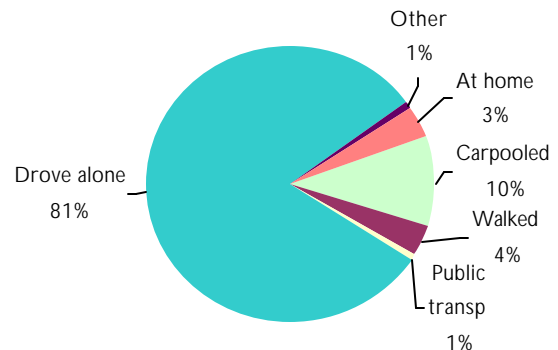


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beginning under 30% in 1950 and growing exponentially to its present level of 65 percent.

While many of the social forces leading to a greater number of entering the workforce over this time period have been explored in a variety of publications, the causes for the shift of the past decade have been primarily economic in nature. First, the agriculture sector, which had traditionally been an area of strength in the state has declined sharply throughout the past thirty years. Additionally, employment in "hard sector" industries, such as manufacturing and wholesale trade has also declined in the county over this same period. As these industries, which have traditionally been male-dominated have declined, service-oriented sectors, including education, business, and financial services have experienced significant growth, due to a gradual shift in economic focus and changing demographic factors. As a result, employment opportunities for both genders have increased significantly, drawing more women into the workplace, motivated by opportunity and necessity. Since the growth in the labor force has surpassed growth in employment, a certain degree of "crowding out" has occurred in

County Travel-to-Work Patterns



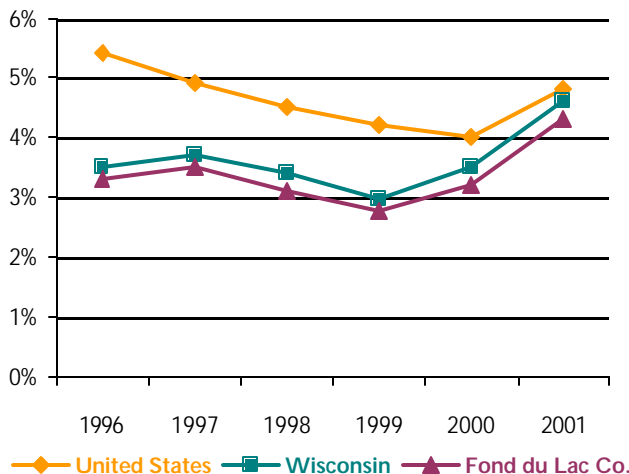
Source: US Dept. of Commerce, Census Bureau, *Census 2000*

the labor force, resulting in the disparate growth rates.

Another vital characteristic of the labor force, in addition to whether they work is how they travel to the workplace every day. The chart above illustrates the distribution of workers by their primary means of transportation. Given the well-developed highway system that exists in the region, particularly along the Highway 41 and 151 corridors, an overwhelming majority of workers in Fond du Lac County rely on the automobile, either by driving alone or carpool for transit. A far lesser percentage utilizes the public transit system that primarily services the City of Fond du Lac.

Shifting our focus from the employed labor force to briefly discuss changes in the unemployed labor force, the trend analysis to the left shows changes in the unemployment rate at the county, state, and national level from 1996 to 2001. Due to the relatively greater availability of employment opportunities in the county than either the state or nation, the unemployment rate of Fond du Lac County has remained lower than either the state or national figures over the course of the past five years.

Unemployment Rate Comparison



Fond du Lac County Civilian Labor Force Data

	1996	1997	1998	1999	2000	2001
Labor Force	55,500	55,300	54,800	53,100	54,000	55,600
Employed	53,700	53,400	53,100	51,700	52,200	53,200
Unemployed	1,840	1,940	1,690	1,470	1,740	2,380
Unemployment Rate	3.3%	3.5%	3.1%	2.8%	3.2%	4.3%

Source: WI Department of Workforce Development, Local Area Unemployment Statistics, revised March 2002



County Industry Employment

Nonfarm Wage and Salary Employment

	1996	1997	1998	1999	2000	2001	Percent change	
							1 year	5 year
Total	44,480	44,969	45,864	46,816	47,629	48,246	1.3%	8.5%
Goods Producing	15,789	15,483	15,436	15,805	15,465	15,242	-1.4%	-3.5%
Construction & Mining	2,202	2,562	2,659	3,124	2,922	3,032	3.8%	37.7%
Manufacturing	13,587	12,921	12,777	12,681	12,543	12,211	-2.7%	-10.1%
Durable	8,674	8,554	8,400	8,243	8,012	7,620	-4.9%	-12.1%
Nondurable	4,913	4,367	4,377	4,438	4,531	4,590	1.3%	-6.6%
Service Producing	28,692	29,486	30,428	31,010	32,164	33,004	2.6%	15.0%
Transportation, Communications & Utilities	1,994	2,013	1,990	1,996	1,992	2,206	10.7%	10.6%
Total Trade	10,223	10,643	10,921	10,804	11,021	11,129	1.0%	8.9%
Wholesale	1,632	1,688	1,740	1,779	1,810	1,827	0.9%	12.0%
Retail	8,591	8,955	9,181	9,025	9,211	9,302	1.0%	8.3%
Finance, Insurance, and Real Estate	1,509	1,538	1,580	1,543	1,683	1,778	5.7%	17.8%
Services & Misc.	9,549	9,809	10,468	11,120	11,805	12,204	3.4%	27.8%
Total Government	5,417	5,483	5,469	5,546	5,664	5,686	0.4%	5.0%

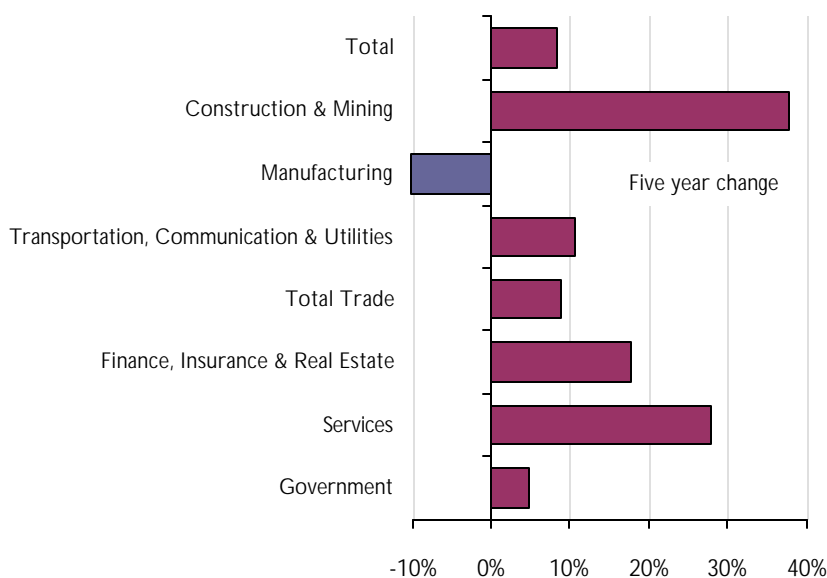
Source: WI Department of Workforce Development, Nonfarm wage and salary estimates, revised March 2002

An analysis of employment fluctuations within the major industry sectors in Fond du Lac County shows a number of interesting patterns pointing to an underlying trend towards diversification in the county's economy. Over the course of the past year, a number of interesting changes occurred in industry employment. Perhaps the first interesting

change to point out is that, despite a period of recession in the national economy, employment in the county increased in 2001, adding just over 600 new positions, or 1.3%. However, this growth was did not occur in all industry sectors. The one industry sector that experienced a loss in employment in the county was durable good manufacturing, which could be argued to be the most important sector in the county's economy, given the strong manufacturing tradition in the county. Over the course of the year, nearly 400 manufacturing positions were lost, or almost five percent of the workforce.

However, it is again important to state that most of the industries in Fond du Lac County experienced employment gains ranging from a meager 0.4% to 10.7% over the course of the past year. With the exception of manufacturing, again, all industry sectors in the county experienced net growth over the past five years, as well. While the manufacturing sector shed over ten percent of its employees, growth was led by construction and mining, and service industries, which grew by 37.7% and 27.8%, respectively.

Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002



Top 10 Employers

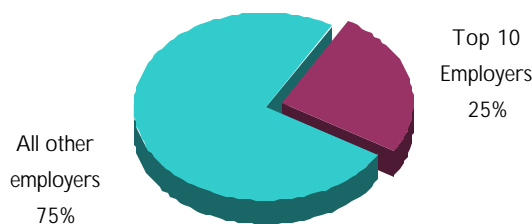
Company	Product or Service	Size
Brunswick Corp.	Outboard Marine Engines	1,000+
Intl Paper Co	Paperboard Products	1,000+
Agnesian Healthcare Inc.	General Medical and Surgical Hospitals	1,000+
Fond Du Lac School District	Public School System	1,000+
County of Fond Du Lac	County Government Services	1,000+
Alliance Laundry Systems LLC	Washing Machines	500-999
Moraine Park Vocational Technical &	Technical College District	500-999
Giddings & Lewis LLC	Machine Tool Manufacturing	500-999
Prescott's Supermarkets Inc.	Grocery Stores	500-999
Ripon Foods Inc.	Cookie Production	250-499

Top 10 Industry Groups

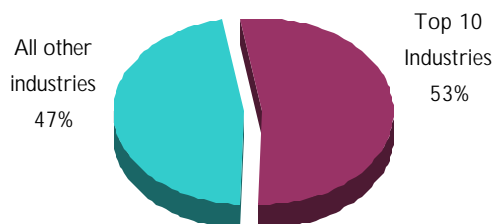
Industry Group	March 2001		Numeric change	
	Employers	Employees	1-year	5-year
Industrial Machinery and Equipment	29	4,765	-500	-481
Health Services	108	3,729	-89	541
Educational Services	24	3,644	-13	318
Eating and Drinking Places	145	3,340	-2	50
Paper and Allied Products	*	*	*	*
Executive, Legislative, and General	32	1,846	87	39
Food and Kindred Products	*	*	*	*
Special Trade Contractors	170	1,492	22	372
Food Stores	28	1,352	49	160
Social Services	43	1,316	58	530

*data suppressed to maintain confidentiality

Top 10 Employers' Share of Nonfarm Employment



Top 10 Industry Group Share of Nonfarm Employment



Source: WI Department of Workforce Development, ES-202 file tape, December 2001

The group of the largest employers in Fond du Lac County is again marked by a number of familiar names. The Brunswick Corporation, which owns Mercury Marine and International Paper are the largest employers in the county, despite experiencing a degree of stagnation in growth over the course of the past year. Additionally, Alliance Laundry Systems and Giddings and Lewis, and to a certain degree, Ripon Foods represent the strength of

traditional industries in the Fond du Lac County economy. However, a growing degree of industry diversification is also present among the largest employers, as healthcare (Agnesian Healthcare,) government services (Fond du Lac County,) and educational services (Fond du Lac School District, Moraine Park Technical College) are also represented. Prospects for growth in each of these sectors is

(Continued on page 7)



State of Wisconsin - Fond du Lac County

strong due to changes in key demographic indicators such as the migration rate, birth rate, and rate of aging.

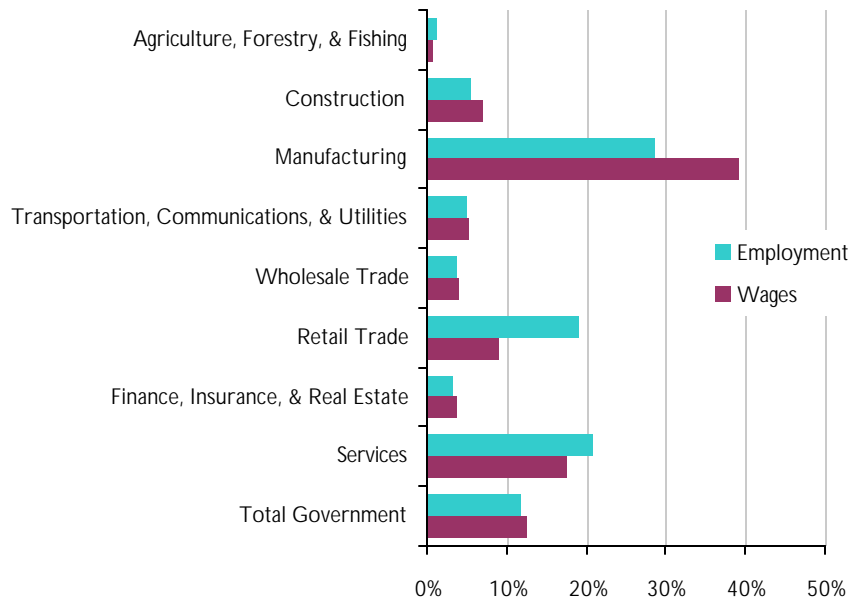
The listing of the largest industry sectors in the county show a similar pattern of growing diversity. While the industrial machinery and equipment and paper and allied products sectors continue to exert considerable influence on the county's economy, a wide variety of industries employ significant portions of the county's workforce. The dominance of

these industries, which include healthcare, educational services, and eating and drinking places is considerable as a quarter of the county's employees are employed by one of the ten largest firms in the county and a majority of employees (53%) are active in one of the ten largest industry sectors.

Another key linkage between the Fond du Lac County labor force and the county's economy is found in the analysis of wages paid to workers in the county. A comparison of these wage levels, as

illustrated in the table below, with state averages serves as an indication of how the county fares with respect to its neighbors. In 2001, the annual average wage across all industries in Fond du Lac County was \$29,220, which was 5.5% below the state average. While on the face of this comparison, the disparity between the two wage levels may seem significant, it is important to note that these wage levels do not take the cost of living into account. As Fond du Lac County has a cost of living significantly lower than other, relatively more urban areas of the state, the difference between economic welfare is not nearly as great. Within industries, this disparity is also apparent, as a number of industries pay wages well below the state average.

Employment & Wage Distribution by Industry Division



Annual Average Wage By Industry Division

	Fond du Lac Co. Annual Average Wage	Wisconsin Annual Average Wage	Percent of State Average	1-year percent change	5-year percent change
All Industries*	\$ 29,220	\$ 30,922	94.5%	1.5%	16.9%
Agriculture, Forestry, & Fishing	\$ 18,934	\$ 22,565	83.9%	2.2%	26.5%
Construction	\$ 38,331	\$ 39,011	98.3%	2.0%	22.3%
Manufacturing	\$ 39,869	\$ 39,739	100.3%	1.0%	17.8%
Transportation, Communications, & Utilities	\$ 30,649	\$ 36,639	83.7%	-1.7%	7.9%
Wholesale Trade	\$ 31,329	\$ 40,521	77.3%	2.6%	19.7%
Retail Trade	\$ 13,972	\$ 14,596	95.7%	1.6%	19.1%
Finance, Insurance, & Real estate	\$ 32,054	\$ 40,933	78.3%	4.7%	27.9%
Services	\$ 24,357	\$ 28,775	84.6%	6.2%	21.6%
Total Government	\$ 31,521	\$ 33,785	93.3%	5.3%	19.4%

* Mining excluded from table since wages were suppressed to maintain confidentiality in every county

Source: WI DWD, *Employment, Wages, and Taxes Due covered by Wisconsin's U.C. Law, 2002*



Occupation and Education Characteristics of County Population

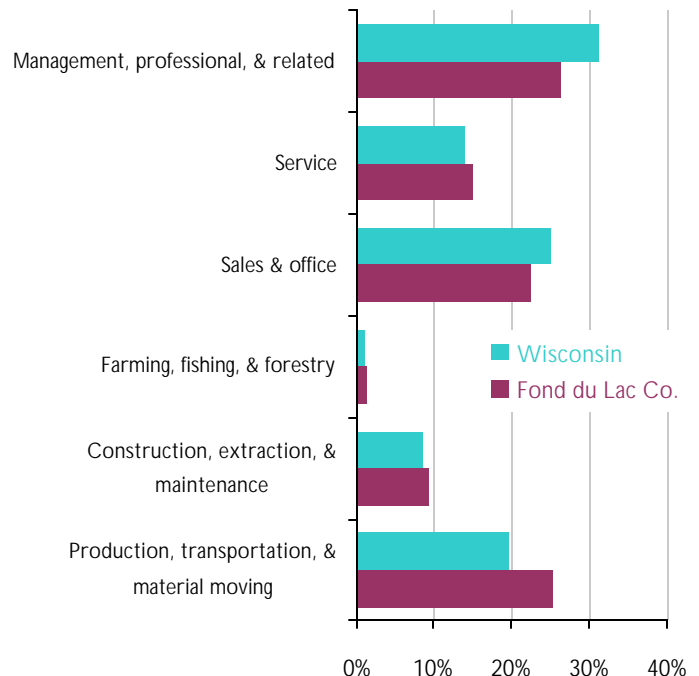
Two final facets of the county's labor force that have a significant bearing on the future prospects of the county and its industries are the occupational distribution of workers in the county and the educational attainment of the working population.

From a glance at the distribution of workers by various occupational classifications, as illustrated in the chart at right, it is clear that the Fond du Lac County economy is steeped in traditional industry employment. This is illustrated by the fact that a greater percentage of workers in Fond du Lac County are employed in production, transportation, and material moving occupations than in the state. Conversely, a significantly smaller share of the workforce is engaged in management and professional positions, suggesting that the "white collar" workforce lags behind their "blue collar" counterparts.

However, this is not the case in all occupational groups, as the percentage of service occupation workers is greater in Fond du Lac County than in the state. It is important to note here that these occupations are grouped with no respect to industry affiliation. Therefore, it is difficult to draw any concise conclusions about industry growth as it relates to these occupational groupings.

A final facet of the Fond du Lac County workforce

Employment by Occupation Group: 2000

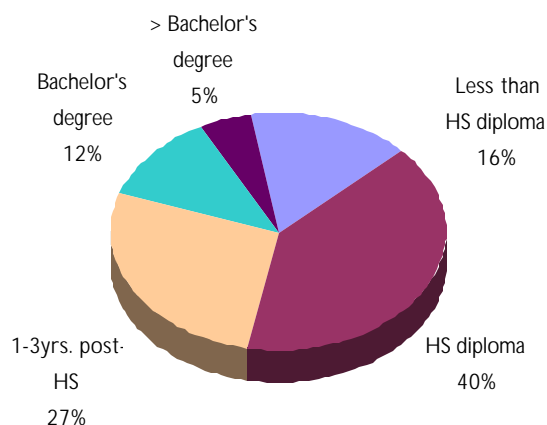


US Department of Commerce, Census 2000

that has a significant bearing on the county's economy is the educational attainment of the population aged 25 and over, as illustrated in the distribution at left. The influence of traditional industry sectors in the county is again apparent in this distribution as a great majority of the population, two thirds, to be exact have either completed their high school education or attended one to three years of schooling past high school as their highest level of education. This distributional pattern is typically found in areas with a strong manufacturing presence.

The large percentage of the population completing some postsecondary education is significant and is aided by the presence of a strong technical college system in the county. It is important to note that this distribution does not include a distinction for the completion of an associate's or vocational degree program as many programs do not result in the awarding of these degrees. While the number of persons earning at least a bachelor's degree is much smaller than the lower categories, the expectation is that this number will rise in the future.

Education Attainment in 2000



Source: US Dept. of Commerce, Census Bureau, *Census 2000*



County Income Information

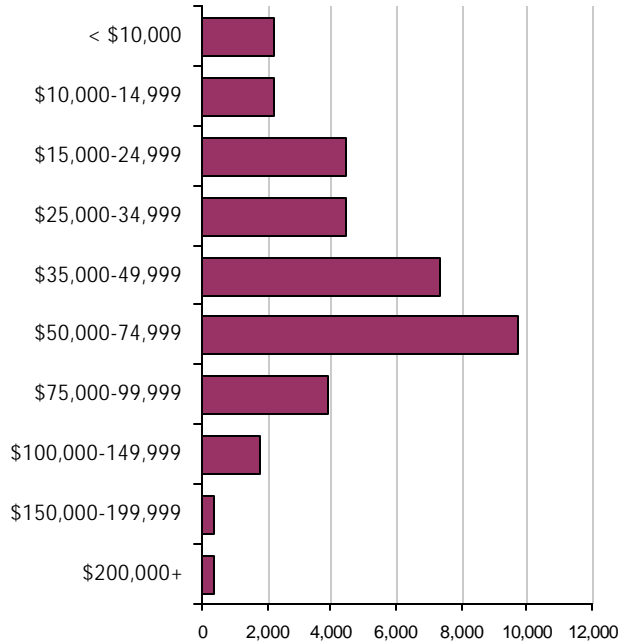
One final characteristic of the Fond du Lac County population that bears mentioning as it is an indication of both the health of the county's economy and its workforce is the relative level of income present in the economy. This can be measured through a variety of means. The most popular of these measures is the calculation of the median household income.

In 2000, the median household income of Fond du Lac County was \$45,578. This is significantly higher than the state median of \$43,791 and suggests that the county's economy is indeed prosperous. To further illustrate the solid economic footing that the county rests on, in 1990, the median household income in the county was nearly identical to the state median, as Fond du Lac County's median household income was \$29,441, only \$1 less than the state median of \$29,442. However, over the past decade, the Fond du Lac County median income has increased by over \$16,000, or 54.8%, while the state median has increased by a slightly more modest \$14,350, or 48.7%.

A second indication of the level of income present in the county is found by measuring the extent of poverty present. In 1999, 3.5% of all families, 5.8% of individuals, and 18.8% of single mother families reported income levels below the federal poverty limit.

Households by Income Range

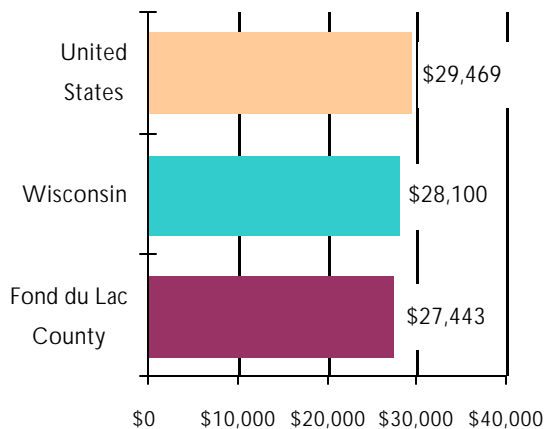
Median household income in Fond du Lac Co. \$45,578



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

A third measure of income is per capita personal income, or PCPI, which accounts for income sources other than wages. In 2000, the PCPI of Fond du Lac County was \$27,443, which is less than either the state or national figures. However, this figure is deceiving, particularly when one is reminded of the high median household income level.

Per Capita Personal Income 2000



Source: US Department of Commerce, Bureau of Economic Analysis

Components of Total Personal Income: 2000

